

§ 3932.40

in the modified lease and a written consent of the surety under the bond covering the original lease as modified. The lessee must also submit evidence that the bond has been amended to cover the modified lease and pay BLM processing costs.

§ 3932.40 Readjustment of lease terms.

(a) Except as provided in paragraph (b) of this section, all leases are subject to readjustment of lease terms, conditions, and stipulations at the end of the first 20-year period (the primary term of the lease) and at the end of each 10-year period thereafter.

(b) Royalty rates will be subject to readjustment at the end of the primary term and every 20 years thereafter.

(c) At least 30 days prior to the expiration of the readjustment period, the BLM will notify the lessee by written decision if any readjustment is to be made and of the proposed readjusted lease terms, including any revised royalty rate.

(d) Readjustments may be appealed. In the case of an appeal, unless the readjustment is stayed by the IBLA or the courts, the lessee must comply with the revised lease terms, including any revised royalty rate, pending the outcome of the appeal.

Subpart 3933—Assignments and Subleases

§ 3933.10 Leases or licenses subject to assignment or sublease.

Any lease may be assigned or subleased and any exploration license may be assigned in whole or in part to any person, association, or corporation that meets the qualification requirements in subpart 3902 of this chapter. The BLM may approve or disapprove assignments and subleases. A licensee proposing to transfer or assign a license must first offer, in writing, to all other participating parties in the license, the opportunity to acquire the license (the right of first refusal).

§ 3933.20 Filing fees.

Each application for assignment or sublease of record title or overriding royalty must include the filing fee found in the fee schedule in §3000.12 of this chapter. The BLM will not accept

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any assignment that does not include the filing fee.

[73 FR 69469, Nov. 18, 2008, as amended at 75 FR 55683, Sept. 14, 2010]

§ 3933.31 Record title assignments.

(a) File in triplicate at the proper BLM office a separate instrument of assignment for each assignment. File the assignment application within 90 calendar days after the date of final execution of the assignment instrument and with it include the:

(1) Name and current address of assignee;

(2) Interest held by assignor and interest to be assigned;

(3) Serial number of the affected lease or license and a description of the lands to be assigned as described in the lease or license;

(4) Percentage of overriding royalties retained; and

(5) Dated signature of assignor.

(b) The assignee must provide a single copy of the request for approval of assignment which must contain a:

(1) Statement of qualifications and holdings as required by subpart 3902 of this chapter;

(2) Date and the signature of the assignee; and

(3) The filing fee found in the fee schedule in §3000.12 of this chapter.

(c) The approval of an assignment of all interests in a specific portion of the lands in a lease or license will create a separate lease or license, which will be given a new serial number.

[73 FR 69469, Nov. 18, 2008, as amended at 75 FR 55683, Sept. 14, 2010]

§ 3933.32 Overriding royalty interests.

File at the proper BLM office, for record purposes only, all overriding royalty interest assignments within 90 calendar days after the date of execution of the assignment.

§ 3933.40 Account status.

The BLM will not approve an assignment unless the lease or license account is in good standing.

§ 3933.51 Bond coverage.

Before the BLM will approve an assignment, the assignee must submit to the proper BLM office a new bond in an